

*Harold Thomas Beck PO Box 362 Lewis Run, PA 16738*

**SENT BY REGISTERED MAIL**

July 5, 2004

Mr. Paul Smith, Jr.  
Safeco Insurance Co  
P.O. Box 5373  
Poland, Ohio 44514

Re: Claim Number 521474522015

Dear Mr. Smith:

This letter acknowledges your letter dated June 23, 2004 and received by us on June 30, 2004.

You are correct when you say we have a serious misunderstanding and once more you have not addressed the issues I have placed before you. I have indicated all along we had an operational fire suppression system, just not a name brand Ansul System. This was not concealed and was known to your company as on at least four, if not more, occasions your loss prevention people inspected it and verified it was operational.

As I pointed in all of my letters beginning February 21, 2004; continuing on March 24, 2004; April 28, 2004; and again on June 10, 2004, nothing has materially changed since the original underwriting date.

Again I insist that on at least four separate occasions loss prevention specialists from your company have physically inspected the premises including the fire suppression system, system design documents, and subsequent service and inspection documents. You most certainly have documentation on and records of those inspections and realize the most your company has ever questioned or complained about was the substance the roof was made of (Questioned and subsequently answered), the dumpster and the ongoing problem with bears (Complaint and corrected followed by another inspection), and the east wall needed painted (Complaint and corrected followed by another inspection). No mention or complaint has ever been made regarding the fire protection in the kitchen or the records regarding inspections and service of that system. Absent any direction or complaint we had no choice but to assume all was well.

As you know, all documentation that existed and was always available to your company and required to be kept on the premises was destroyed in the fire. Now we are faced with the problem of reconstructing them after the fact. I will do the best I can but time is of the essence

here and the fact you seem to not be receiving correspondence has placed us in a very bad situation. We have had no income since the fire and because you decided we were not going to rebuild we are missing our prime seasons and suffering financially as well as personally. If this persists I will have no choice but to hold you and your company responsible for our on going damages.

Your letter also did not address my concerns regarding the fact of my wife suffering a heart attack during the fire and being hospitalized. I have questioned you regarding the liability coverage for medical coverage not covered by our health insurance as we have a \$2,000 deductible. To date you have yet to address this concern. What coverage, if any, do we have?

Again I point out we have never taken an adversarial position with your company and have attempted to cooperate in any way we can in the disposition of this claim. However, at this time it appears to me you are stalling in order to place us at a disadvantage in the settlement of this claim.

Once more I point out unless we can settle this claim immediately we will have no choice but to seek legal representation and pursue not only full settlement to the limits of the policy, but in addition pray for recovery for the full cost of representation and subsequent financial damages and hardships suffered as a result of your refusal to make us whole. I respectfully expect an immediate answer. Time is critical here.

Sincerely,

Harold T. Beck